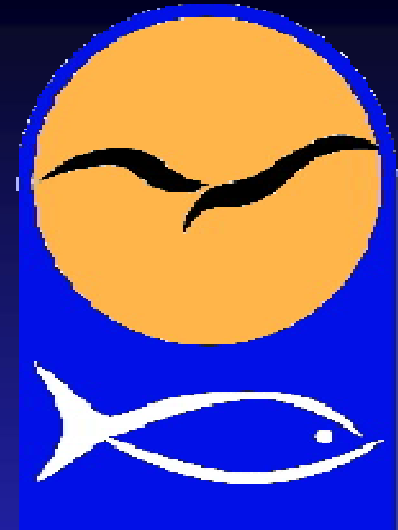


**Mike Lopazanski**

**NC Dept of Environment  
and Natural Resources**

**Division of Coastal  
Management**



**Outer Continental Shelf  
Leasing Process  
NC Comments and Concerns  
July 28, 2009**

# The NC Coastal Management Program



- NC Coastal Area Management Act
- Dredge and Fill Law
- Federal Coastal Zone Management Act of 1972

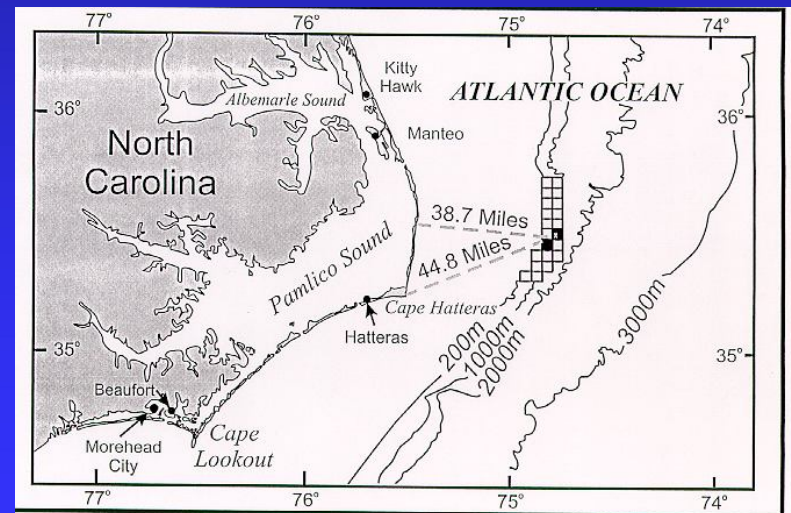
# Components of the NC Coastal Management Program

- CAMA enacted in 1974
  - 1) Establishes CRC to set policies and adopt regulations.
  - 2) Regulates development in specified Areas of Environmental Concern.
  - 3) Requires local land use planning.
  - 4) ***Ensures consistency between state and federal actions.***



# OCS Leasing Process

- Establishment of 5-Year Plan
- Leasing
- Exploration
- Development and Production
- Decommissioning



# State Involvement



## Development of 5- Year Plan

- Comments on the federal plan that leads to exploration, develop and production

## Lease Sale

- Consistency review of “bulk lease” sale but not on individual lease sales.

## Plan of Exploration

- Consistency review of how the lease will be explored.

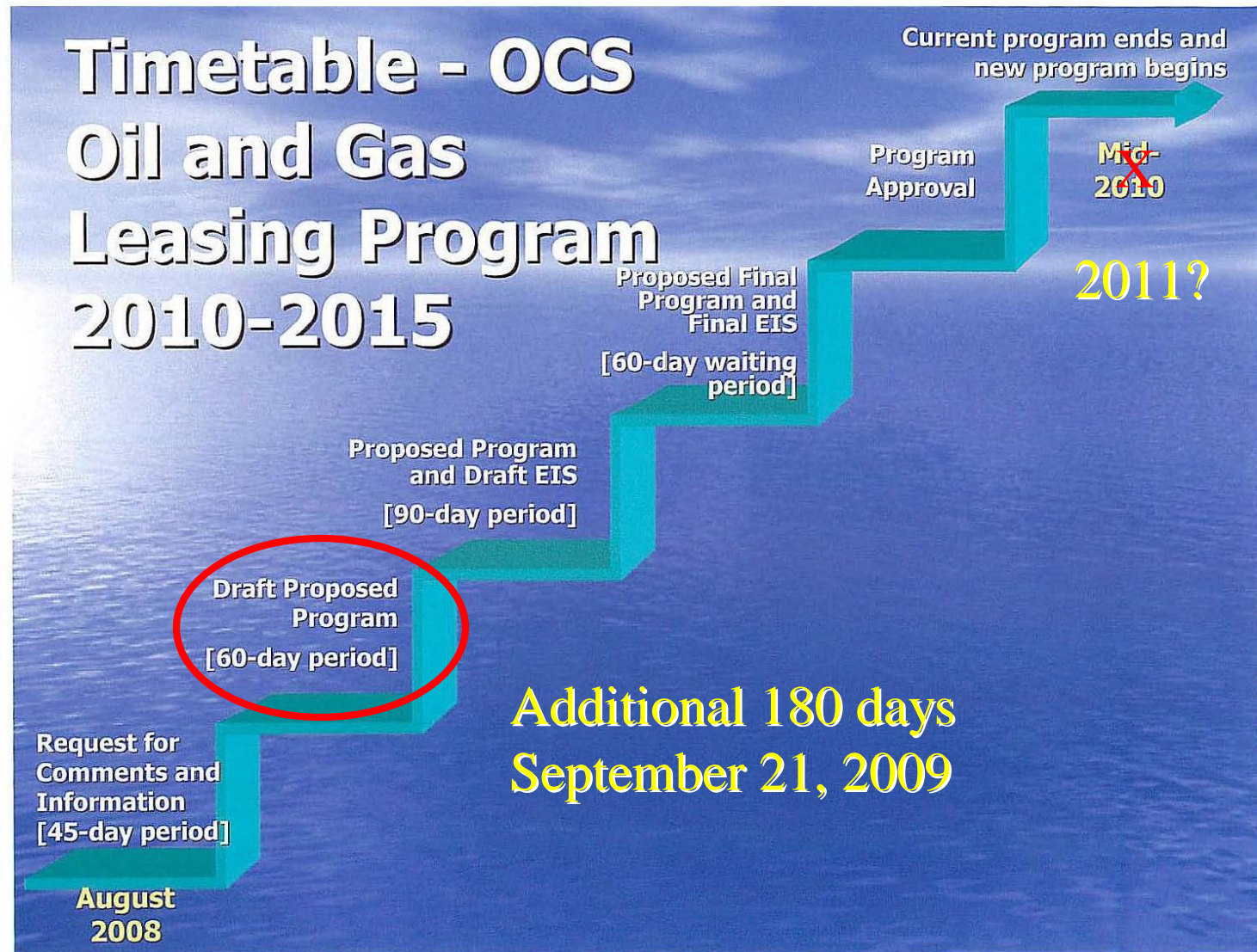
## Plan of Development and Production

- Consistency review of how oil and gas will be produced on in the lease area. Other activities (pipelines) would be reviewed separately.

## Decommissioning

- Consistency review likely – depends if included in the Development and Production Plan

# 5-Year Lease Program Process



# Existing Authorities



## Outer Continental Shelf Lands Act

- Governor has authority to comment on POE  
20 days for comments  
Sec of DOI may consider Gov for approval/disapproval or conditional approval

## Coastal Zone Management Act/ NC Coastal Area Management Act (CAMA)

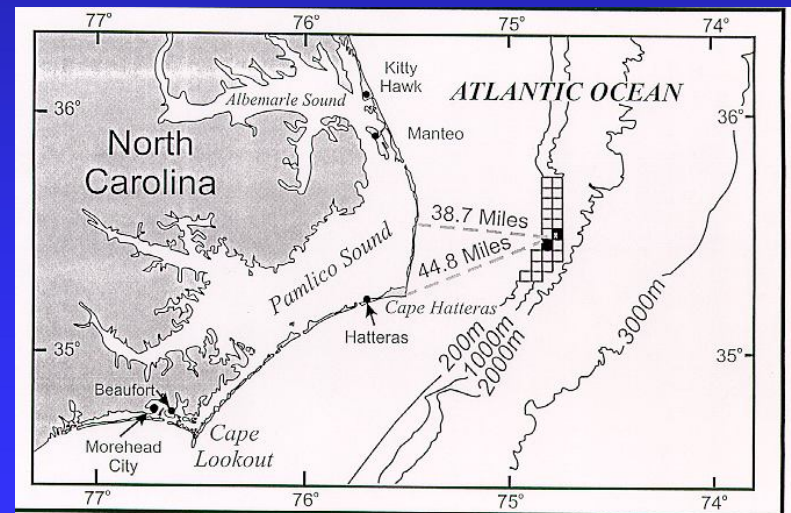
- Establishes NC Coastal Program
- State has authority to review proposals in federal waters  
90 days for consistency determination

## Coastal Resources Commission Administrative Rules

- T15A NCAC 7M .0400 Coastal Energy Policies  
Applicant information  
Identifies sensitive areas (hard bottom, SAV, PNA etc)  
Onshore facility siting requirements  
Mitigation

**Federally licensed activities must be consistent with NCCMP; federal activities must be consistent to greatest extent practicable**

- After a coordinated state review, DCM issues either a consistency concurrence or denial (denials can be appealed to US Sec. of Commerce)



# Existing Authorities



## **Coastal Resources Commission Administrative Rules**

- T15A NCAC 7B Land Use Planning Guidelines

CAMA counties required to have land use plans

Land use plans incorporated in NC Coastal Program

Land use plans contain enforceable policies

**Policies used in permitting and consistency determination**

OCS proposals need to be consistent with land use plans

Policies regarding the siting of onshore facilities

# North Carolina Comments/Concerns

Preparation of 2007 – 2012 Lease Plan (2005)

2007 – 2012 Lease Plan (2006)

VA Lease Sale (2006)

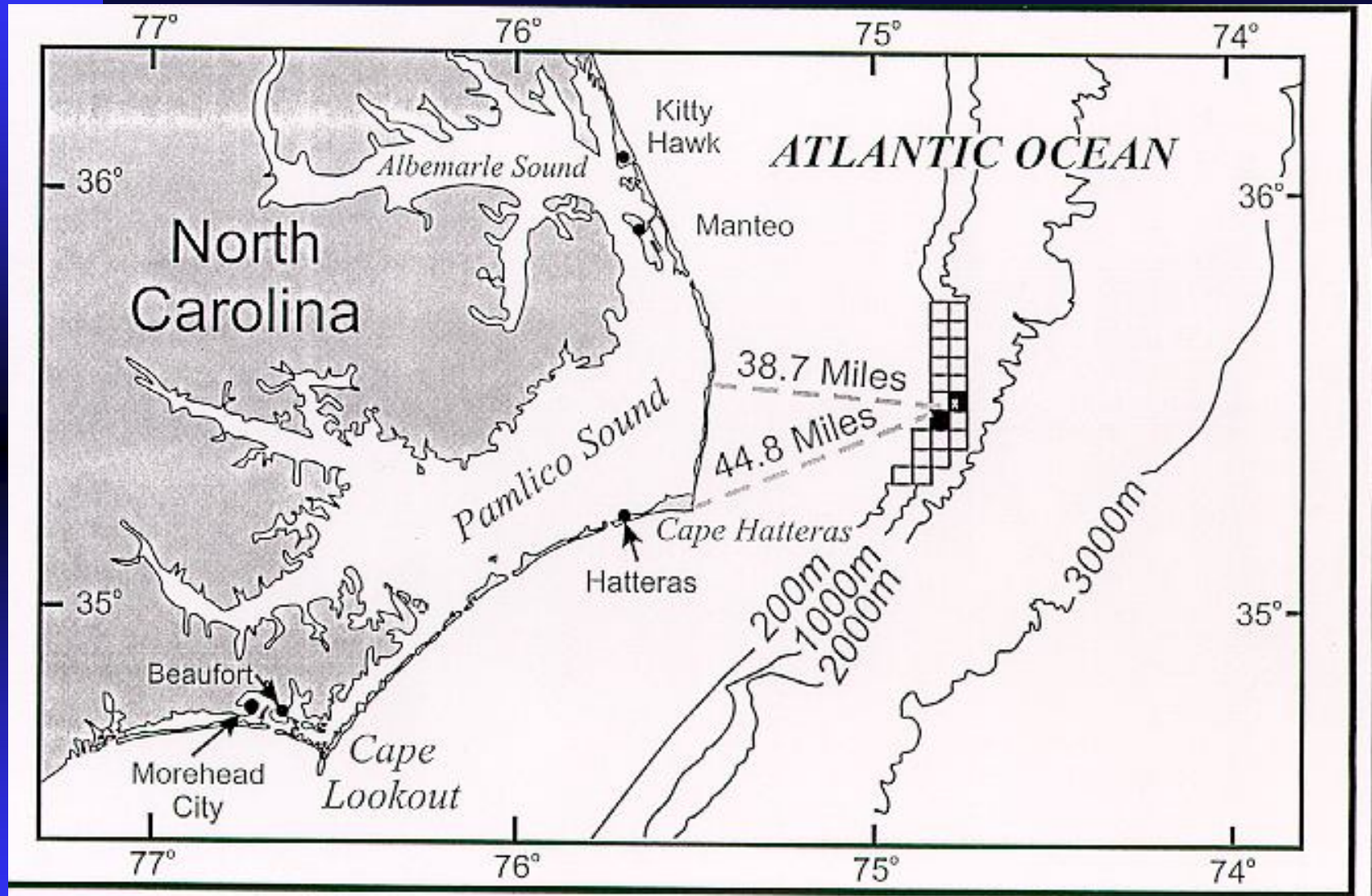
2010 – 2015 Lease Plan (2008)

Geological & Geophysical Exploration of the  
Atlantic OCS (2009)

Comments submitted to MMS through a  
combination of:

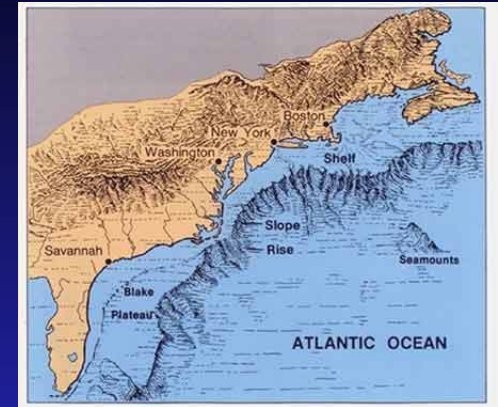
Governor's Office, DENR and Div. Of Coastal Mgmt

# "The Point" – What's so special



# "The Point" – What's so special

- Southward flowing Labrador Current
- Northward flowing Gulf Stream
- Western Boundary Undercurrent
- Unique bathymetric features
- Upwelling of nutrients
- Enhanced ocean productivity



# "The Point" – What's so special

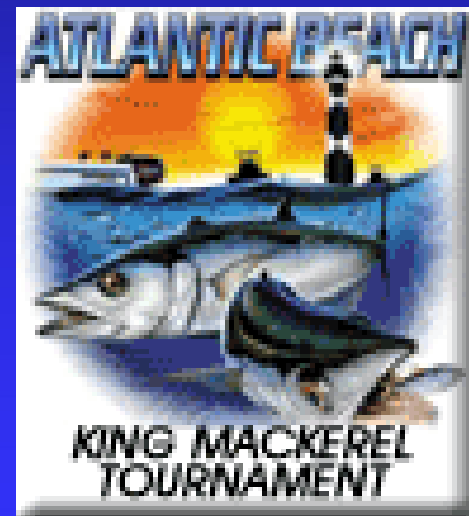
- Fisheries offshore managed by NMFS Fisheries Management Plans (FMP)
- Essential Fish Habitat Designations (EFH) Important to migratory species



The Point  
Ten Fathom Ledge  
Big Rock  
Cape Lookout shoals  
Cape Fear shoals  
Cape Hatteras shoals



Photo by Beverly Warren



# Closer to shore

- 320 miles of ocean shoreline
- 21 barrier islands
- 8,710 licensed commercial fisherman
- 738 seafood dealers
- \* \* \* 27,000 jobs = \$116 million payroll \* \* \*
- 1.9 million recreational anglers making 6.9 million fishing trips annually
- Coastal Tourism – 40,000 jobs
- \* \* \$2.6 billion contribution to NC economy \* \*



# NC Comments



- Aug '05 -MMS solicited comments on its 2007-2012 5 –Year Lease Plan.
- MMS wanted to know what states think of moratoria.
- Oct '05 - Bill Ross, Sec of DENR, submitted comments expressing NC concerns. Socio-economic, Physical environment, Legal & Policy. Supports the existing moratorium.
- Feb '06 - MMS proposes Special Lease Sale off VA coast in 2011 in draft 2007-2012 5-Year Lease Plan.
- Apr '06 – Gov. Easley submits comments objecting to inclusion of VA in 2011 special interest lease sale while moratorium is still in effect.

# NC Comments

## 2007-1012 5 Year Program Draft EIS



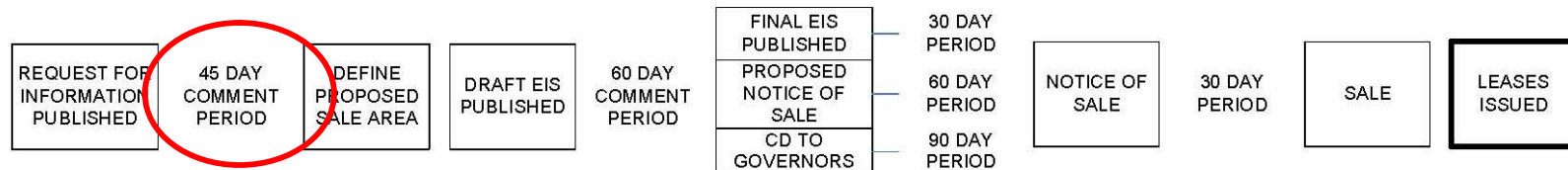
- Apr '06 – Sec. Ross reiterates environmental concerns. Cites Ocean Commission call for ecosystem management of offshore fisheries. Objected to inclusion of VA.
- Jun '06 – Gov Easley encourage NC Congressional delegation to oppose legislation which threatens coastal NC, cites concerns about other states opening waters to drilling.
- Gov. Easley -Recent events help make clear that the United States must become more energy independent, but we must not let today's crisis drive us toward oil or gas development that threatens the fragile ecosystems or tourism economy of the North Carolina coast.

# Virginia Lease Sale

- Sale to be held 2011
- 2.9 million acres
- 50 miles offshore
- DENR & Governor Easley Comments
  - Generalizations re: fisheries & mammals
  - Lack analysis of impacts on NC
  - NC exposed to risks with no benefits



## PLANNING FOR SPECIFIC SALE



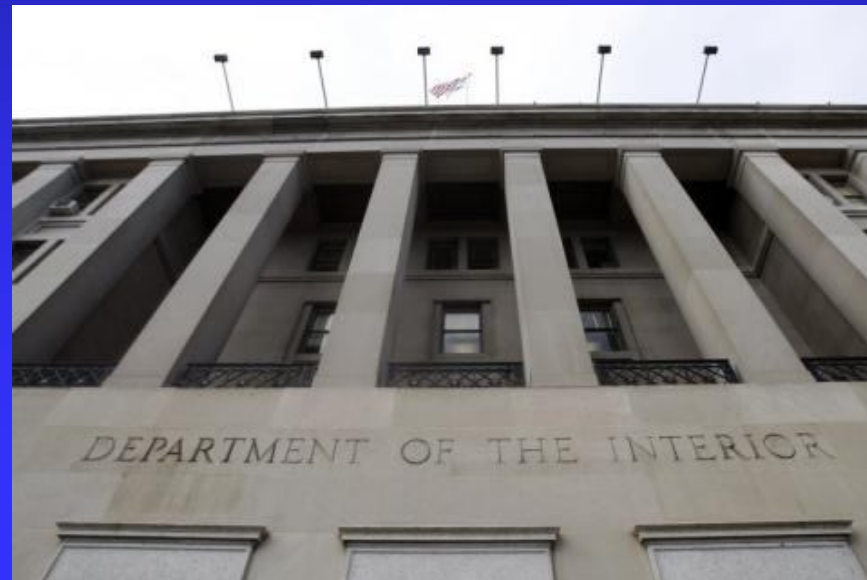
**\*\*\*Comment period extended to Jan 19 , 2009 – on hold as part of 2010-2015 Lease Program\*\*\***

Abbreviations: CD, Consistency Determination; EIS, Environmental Impact Statement

# ■ Latest NC Comments

## ■ Geologic & Geophysical Activities ( April 2009)

- • Comments Provided by NC Division of Coastal Management
- • Programmatic EIS for Multiple Seismic Studies
- • Required for all exploration activities
- • PEIS to be completed before exploration activities



A wide-angle photograph of a beach at sunset. The sun is a bright orange orb on the horizon, casting a long, colorful glow across the sky in shades of orange, pink, and purple. The ocean is calm with gentle waves lapping at the shore. In the foreground, two people are silhouetted against the wet sand, standing close together and looking out at the sea. Their reflections are clearly visible in the shallow water on the sand. Other people can be seen in the distance, some standing and others walking. The sky is filled with soft, wispy clouds, and a few small, distant lights are visible. The overall mood is peaceful and romantic.

**For More Information...**

**[www.nccostalmanagement.net](http://www.nccostalmanagement.net)**